Ministry of
Forests, Lands and Natural Resource
Operations

2010/11
Annual Service Plan Report

For more information on how to contact the British Columbia Ministry of Forests, Lands and Natural Resource Operations, see Ministry Contact Information on Page 39 or contact:

Ministry of Forests, Lands and Natural Resource Operations:
PO BOX 9352
STN PROV GOVT
VICTORIA, BC
V8W 9M1

Or visit our website at
www.gov.bc.ca/for/

Published by the Ministry of Forests, Lands and Natural Resource Operations

Message from the Minister and Accountability Statement

There is no doubt that 2010/11 proved to be an exciting year for the natural resource sector. During 2010, B.C.'s forest product exports increased to $9.1 billion from $7.6 billion in 2009. Mineral exploration expenditures reached $322 million in 2010 – more than double the $154 million of 2009. As well B.C.'s world-famous ski resorts contributed $2.1 billion to the economy.

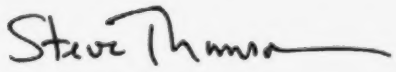
As B.C.'s economy starts to grow again – especially in the natural resource sector – it's important for government to effectively manage the complexity of natural resource decisions on B.C.'s land base. We need to effectively manage our natural resources to ensure economic prosperity and environmental sustainability. During the last year, the Ministry of Forests, Lands and Natural Resource Operations was created to be the province's "one land manager." Eighty per cent of ministry staff live and work outside Victoria in diverse communities around the province. That built-in community interface means our staff are keenly aware of the importance of B.C.'s natural resources to rural B.C. and rural families. Our regional structure positions us to make informed decisions on the land base that directly affect communities and enables us to keep families at the forefront.

This integrated approach enhances our ability to understand the cumulative effects of multiple resource activities on our land base ensuring resilient communities for families today and into the future. Coordinating natural resource sector-wide activities on the land – permitting, First Nations consultation, wildlife and wildfire management to name a few – through one ministry means more durable and timely decisions. Whether you are a homeowner looking to build a dock at your lake front property or a clean energy producer wanting to develop a wind farm, you only have to engage with one place in government now.

We've seen success with the "one project, one process" approach. For example, with the Mount Milligan mine north of Prince George, a coordinated approach to permits and licences, meant one letter from government to four First Nations instead of 28 letters, and a 120-day consultation time frame instead of a 320-day consultation time frame. When the mine is running, it will support 400 jobs in northern B.C.

In the year ahead, we've set an aggressive performance measure to achieve 90 per cent of implementation of "One Project, One Process". We're reviewing and rationalizing our permits and licences to make the application steps easier to understand. We're opening more FrontCounter BC offices around the province – one-stop intake offices for natural resource applications.

The *Ministry of Forests, Lands and Natural Resource Operations 2010/11 Annual Service Plan Report* compares the actual results to the expected results identified in the Ministry's *2010/11 - 2012/13 Service Plan* (see page 18). I am accountable for those results as reported.



Honourable Steve Thomson
Minister of Forests, Lands and Natural Resource Operations

June 21, 2011

Table of Contents

Message from the Minister and Accountability Statement **3**

Highlights of the Year **6**

Purpose of Ministry **12**

Strategic Context **14**

Report on Performance **18**

Performance Summary Table 19

Part A – Ministry of Forests and Range

Goals, Objectives, Strategies and Performance Results 21

Part B – Integrated Land Management Bureau

Goals, Objectives, Strategies and Performance Results 28

Part C – Lands

Goals, Objectives, Strategies and Performance Results 33

Report on Resources **36**

Ministry Resource Summary Table 36

Forest Practices Board Resource Summary Table 38

Annual Service Plan Report Appendices

Appendix A: Ministry Contact Information 39

Appendix B: Hyperlinks to Additional Information 40

Highlights of the Year

There were many accomplishments made in the forests, lands and natural resource ministry over the last fiscal year – not the least of which was the consolidation of natural resource operations into one ministry – allowing us to move towards improved service to the natural resource sectors. With the restructuring of natural resource ministries, described on page 18, the resulting scope of the new Ministry's policy and operations accomplishments is much broader than this brief summary.

The *2010/11 Annual Service Plan Report* primarily reviews achievements towards the goals and objectives through the performance measures in the former Ministry of Forests and Range Service Plan, which included the Integrated Land Management Bureau, and the Lands component of the former Ministry of Agriculture and Lands. Some of the most notable accomplishments provided in these highlights are related to those areas that are not covered by the performance measures. Reflecting the current structure, this section also includes accomplishments from natural resource operational areas that are now part of the Ministry of Forests, Lands and Natural Resource Operations.

Community Fire Safety

Last fiscal year was the first time BC Wildfire Management used Social Media (Facebook and Twitter @BCGovFireInfo) to communicate and provide updates to the public. Since 2004, more than 230 community wildfire protection plans have either been initiated or completed by local governments and First Nations, approximately 30 of which were begun in 2010/11.

Since the Strategic Wildfire Prevention Initiative was introduced, $37 million funding from the Province and the Government of Canada has supported the initiative, used by local governments and First Nations to reduce the risk of interface wildfires where forests and grasslands meet cities and towns. Community wildfire protection plans identify areas at risk and identify fuel management projects to address them. Fuel management activities, such as spacing live trees and removing dead ones, or cleaning up low branches, needles and woody debris that could potentially fuel a fire, are also funded under the initiative.

Dam Safety Program

British Columbia is one of four provinces in Canada with a formalized dam safety program. The Ministry provides oversight to 1,900 dams in the province including some of the largest structures in Canada. On June 13, 2010, a privately-owned earthen dam on a man-made reservoir on Testalinden Creek failed, causing a debris and mud torrent that impacted a number of homes and an agricultural area eight kilometres south of Oliver, B.C. This unfortunate event was the driver for immediate action to further improve dam safety in British Columbia.

The Ministry undertook a rapid dam assessment and participated in a comprehensive response to the Testalinden dam failure, including addressing 12 recommendations from B.C.'s Solicitor General as summarized in the October 2010 ministry report, *Response to Recommendations Contained in the Report: "Review of the Testalinden Dam Failure"*. Over a four month period

1,174 dams were visited of which four required and received immediate attention and 473 were prioritized for follow-up action. Of the remaining 726 dams, either dam owners were safety program compliant or the dam otherwise did not present a credible risk of failure. As of April 2011, the Ministry reported a 93 per cent return rate on compliance reporting by dam owners, up from 87 per cent last year.

Forest Worker Safety

The Ministry is continuing its efforts to enhance the safety of forest workers through several collaborative initiatives with agencies such as Work Safe BC, the BC Forest Safety Council and industry. For example, in March 2011, the BC Forest Safety Council adopted a steep slope resource package as guidance for the industry to manage and reduce risk associated with steep slope harvesting. Safety Accord Forest Enterprise (SAFE) Companies Certification is a third-party certification of a firm's safety program and business activities. Work Safe BC Certificate of Recognition program makes companies eligible for a reduction in the premiums they are required to pay. BC Timber Sales recertified its operations in the summer of 2009 for further three years and continues to maintain its certification through annual maintenance audits and management reviews of their program. Forests for Tomorrow Program implemented SAFE certification requirements for its recipient agreement holders.

The number of injuries and fatalities trend is improving with fewer than last year; as of March 31, 2011, loss time incidents in the sector are 30 per cent lower than historical norms, and fatalities have in the last few years been tracking at 30 per cent of the historical rates.

Recreation Sites and Trails BC

The Spirit of 2010 Trail is a network of five former rail corridors that have been converted to recreation trails for primarily non-motorized use. In 2010/11 the Ministry established three sections of the trail – the Kettle Valley Rail Trail (420 km), the Columbia and Western Rail Trail (160 km), and the Slocan Valley Rail Trail (50 km) as recreation trails under the *Forest and Range Practices Act.*

In 2010/11, the Ministry spent $2.13 million in joint federal/provincial capital improvements funding to develop and improve trailheads, mitigate hazards tunnels, install a pedestrian bridge, resurface sections of trail, install safety railings on trestles, construct fencing along portions of the trail, erect signs, repair washouts and river bank erosion and install tables, kiosks and toilets.

Two sections of the BC Marine Trail Network were completed in 2010/11 on the way to establishing public access to a series of beach and upland campgrounds that will enable kayakers, canoeists or users of small beach-able water craft to safely explore and experience B.C.'s west coast. Partnering with the BC Marine Trail Network Association, the two sections of the trail completed in 2010/11 were: Gulf Islands and East Vancouver Island (Victoria to Nanaimo); and North and West Vancouver Island (Port Hardy to Tofino).

In response to the avalanche related deaths involving snowmobile operators on Crown land over the past two years, in 2010 the Ministry posted Avalanche Warning signs at all 85 managed snowmobile trails. As well, in collaboration with GeoBC and the Canadian Avalanche Association, the Ministry embarked on a multi-year plan to complete terrain assessments and

avalanche risk ratings at the managed snowmobile areas. The terrain assessments and avalanche risk information enables 'Avaluator' signage, which combines the avalanche danger rating for the day and the terrain rating for the area to allow the snowmobile user to identify the avalanche risk and make informed decisions concerning avalanche hazards in the area. Field work was completed at 39 managed snowmobile areas, maps were developed and Avaluator signs were posted at seven managed snowmobile areas in 2010/11.

Heritage and Archaeology

Over the last fiscal year, the Province supported the rich heritage of British Columbia's historic places through investment, partnerships and collaboration. The Ministry is responsible for 23 Provincial heritage sites, such as Barkerville and Fort Steele, and continues to work closely with the managing partners to ensure that these important pieces of our history are preserved for future generations. In December 2010, the Ministry invested $8.7 million in infrastructure funding over four years for upgrades to sewer, fire and water systems at Barkerville and Fort Steele Provincial Heritage Properties.

The archaeology branch is dedicated to the protection and conservation of British Columbia's archaeological resources. In 2010/11 the Ministry focused its efforts on improving access and efficiency to its archaeological information resources. The Ministry increased the amount of archaeological and heritage information available online in 2010, including:

- The Provincial Archaeological Report Library now contains 5,900 reports that can be accessed online and was visited 3,683 times. The Province issued 456 archaeological permits in the year and reviewed, approved and added 1,586 reports to the library.
- The Heritage Resource Inventory received 2,096 site reports from work done in the field for a total of 39,629 sites now recorded in the inventory.
- The Remote Access to Archaeological Data, a service that allows direct online access to the inventory by archaeological consultants and/or land use planning agencies, experienced 25,678 data searches; while 1,644 data requests were served manually to the general public, over 40 per cent of which were from realtors.

Fish, Wildlife, and Habitat

The Ministry continues to manage fish and wildlife populations and their habitats for long-term sustainability, recovery actions for species at risk, and improving recreational opportunities for angling, hunting and trapping.

A priority focus continues to be the recovery of Mountain Caribou. The Ministry initiated a number of strategies to reduce threats to Caribou from human activities and predation from species such as wolves. Specifically we:

- developed digital coverage of areas closed to snowmobile use that can be downloaded to portable GPS units, which was posted for public access;
- Memoranda of Understanding were renewed with key members of the commercial heli-ski sector; and

- A research project was initiated with University of Victoria and Ministry of Environment to assess the risk of wolf predation to a caribou herd proposed for transplant.

The *Wildlife Act's* Controlled Alien Species Regulation was developed to protect human health and safety, with a long-term objective of phasing out private ownership of exotic species such as tiger, Papuan python and poison dart frog. In 2010/11 the Ministry reviewed and approved all existing permits for Controlled Alien Species, and established clear and concise policy and procedures, which resulted in a sound and fair process for the adjudication of future permit applications.

The Ministry introduced an improved consultation model with a provincial stakeholder advisory meeting in March 2011. The Hunting, Trapping and Angling Regulation Transformation Project, involved a move from an annual cycle to a two year regulation cycle, resulting in cost savings and improved stakeholder participation and satisfaction.

New and expanded hunting seasons for hunters under the age of 18 provided increased opportunities for youth to hunt with the mentorship of experienced adult hunters. The reduction in Limited Entry Hunts provided more hunter opportunity while ensuring conservation.

In partnership with the Freshwater Fisheries Society of B.C., the Ministry set a goal in 2007 of increasing angling licence sales by 30 per cent over a 10-year period. Initiatives implemented since then include electronic licensing, regulation simplification, learn to fish programs, and fishing in the city program. In the last four years, licence sales are halfway to the 10-year target. In April 2011, the Angling e-license system became fully implemented and now sells exclusively online. A suite of new enhancements has made the system more user-friendly and, by withdrawing all paper licences from use, the Ministry has streamlined and improved business processes for Service BC Centres and provincial licence vendors.

Implementing habitat protection for species and ecosystems at risk, and species of management concern is a continued priority of the Ministry. The Environmental Protection and Management Regulation to the *Oil and Gas Activities Act* was passed. It provides habitat protection mechanisms to the Oil and Gas sector consistent with those for Forestry in the *Forest and Range Practices Act* Government Action Regulation. A Government Action Regulation Implementation Strategy informed by the conservation framework has been completed to guide the strategic and efficient implementation of the habitat and ecosystem protection authorities within these regulations. Wildlife Habitat Areas have been established for 50 species and ecosystems and Ungulate Winter Ranges for 8 different species. Last year 207 Wildlife Habitat Areas for 13 different species and 5 Ungulate Winter Ranges were designated.

Priority Resource Management Projects

Legal land use objectives under the *Land Act* were established in June 2010 for the area covered by the Cariboo Chilcotin Regional Land Use Plan. The objectives address biodiversity, wildlife, riparian and other important values in an area totalling eight million hectares, five million of which is forested.

Legal land use objectives under the *Land Act* were established in March 2011 for the implementation of Sea-to-Sky Land and Resource Management Plan and associated Strategic Land Use Agreements with First Nations. The objectives cover three general topic areas: First Nations' Cultural Places, First Nations' Cultural Management Areas and Floodplain/Riparian

Areas. The objectives apply in a number of site-specific areas to protect First Nation cultural and riparian values and floodplain ecosystem values that were identified by stakeholders. In March 2011, Cabinet approved the creation of 45 Wildland Zones covering 294,554 ha in the Sea-to-Sky area. Collectively, these actions implement key land use direction from the Sea-to-Sky Land and Resource Management Plan (LRMP) and associated First Nation Land Use Agreements.

Key achievements, delivered in collaboration with partners in Central and North Coast Ecosystem Based Management implementation, include:

- the completion of the Strategic Landscape Reserve Design template to provide guidance for the development of comprehensive landscape unit plans;
- the completion of draft comprehensive landscape unit plans for 74 of the 80 landscape units in the Ecosystem Based Management area;
- the completion of the modeled Strategic Landscape Reserve Design and Conservation Gap Analysis;
- revised grizzly bear mapping for the e[illegible] Ecosystem Based Management area;
- ensuring Human Well-Being commitments were captured in the new Strategic Engagement Agreement with Nanwakolas Council and the Reconciliation Protocols with both the Coastal First Nations and Nanwakolas Council (work led by the Ministry of Aboriginal Relations and Reconciliation); and,
- the completion of the framework for the review of the existing legal land Use Objectives scheduled for 2014.

Substantive progress was achieved in the implementation of the Haida Gwaii Strategic Land Use Agreement, through the collaborative oversight of a joint Province/Haida management team. The key achievement was the establishment of legal land use objectives under the *Land Act* in December 2010. The Haida Gwaii Land Use Objectives Order legally established ecosystem based management on Haida Gwaii. Consistent with 2007 Haida Gwaii Strategic Land Use Planning Agreement, ecosystem based management will ensure the co-existence of healthy, fully functioning ecosystems and communities, protect important Haida cultural values, support ecosystem integrity, fish and wildlife habitat and other environmental benefits.

The Province also entered into natural resource management Crown land and wildlife management agreements with the Doig River First Nation, West Moberly First Nations, and Prophet River First Nation in the province's northeast.

Forest Sector Recovery

The B.C. forest sector experienced one of the worst cyclical downturns in history in 2008 and 2009, affected by the slumping U.S. housing market, historically low lumber prices and the high Canadian dollar. However, the industry started to recover in 2010 – with over 25 mills re-opening.

Markets for B.C. forest products are expanding, and the export market structure has changed dramatically over the past few years. The U.S. continues to be B.C.'s largest forest product export market with $4.1 billion of total forest product export value in 2010. However, as the

world's most populous nation and with a fast-growing economy, China represents a growing market for B.C. wood products. In 2010, exports to China totalled $2.2 billion, up 76 per cent from 2009, and lumber exports to China were 4.56 million cubic metres – more than 12 times the exports since first opening an office in China in 2003. Exports were increasing in other markets, including exports to Japan which totalled $1.1 billion, up 22 per cent from 2009, and exports to other destinations totalled $263 million, up 20 per cent from 2009.

B.C. leads the country in energy production from biomass. Over 800 megawatts of biomass electricity capacity is installed in the province, enough to power 640,000 households. In 2010, the B.C. wood pellet industry increased its production 20 per cent from 1.0 million tonnes to 1.2 million tonnes of wood pellets, of which 90 per cent was exported for thermal power production overseas. The Province is supporting the expansion of a wood bioenergy sector with investment, innovation and partnerships.

Land Based Investments

Under the Land Based Investment Strategy, the Province made efficient and effective investments in reforestation, incremental silviculture, and tree improvement benefiting B.C. forest and range resources and the industries and communities that rely on them. In 2010/11, silviculture investments totalled approximately $255 million to treat about 330,000 hectares through a combination of the Land Based Investment Strategy enhanced silviculture, basic industry silviculture, and BC Timber Sales. The Ministry supported range lands in 2010/11 through investments in education in range management, range infrastructure replacement and protection, and ecosystem restoration to renew and expand forage resources for livestock and wildlife. As well, the Ministry funded Crown range seeding to help mitigate the forage losses of the 2010 wildfires and support programs to replace fences lost to wildfires.

Laying the Groundwork for Integrated Decision-making

In May 2010 the Ministry's adoption of the business improvement plan "One Project-One Process for Clean Energy in BC" furthered the government's green agenda and laid the groundwork for the broader natural resource sector 'One Project, One Process' initiative.

As well, a professional reliance strategy was jointly developed and implemented by government and the forest sector in 2010/11. In this initial phase, government collaborated with the Association of BC Forest Professionals and forest tenure holders. Work is continuing to advance professional reliance with other natural resource sectors and professions to reduce transaction costs and increase efficiencies and innovation – so that government, licensees, professionals and the public may understand and confidently accept a professional reliance system to benefit sound stewardship of the province's natural resources.

Purpose of Ministry

The Ministry of Forests, Lands and Natural Resource Operations was created in March 2011 to deliver integrated land and resource management services for British Columbians. It is the main agency responsible for establishing the policy and conditions for access to and use of the province's forest, land and natural resources. The merger of Natural Resource Operations with Forests and Lands integrates policy with operational resource management, enabling us to effectively and sustainably manage B.C.'s land base for a variety of uses.

Working with all stakeholders, the Ministry develops policies, programs and legislation to promote industry competitiveness and encourage investment in, and development of, forest, land and natural resources as well as a culture of shared stewardship of our resources. It also ensures that Ministry activities support sustainable development and protect the public's interest in these resources. By bringing provincial natural resource operations together into one ministry we can make more informed decisions that fully consider the environmental, social and economic factors of land use.

Working together is not new. For decades, resource ministries have been collaborating across organizational boundaries to optimize economic and environmental benefits for British Columbia. However, rising demands on the resource base and increased global competition created an urgent need to streamline operations.

Through BC Timber Sales, the Ministry auctions Crown timber to support the timber pricing system. This includes preparing forest stewardship plans and logging plans; developing timber sale licences, constructing and maintaining logging roads and bridges; undertaking silviculture and forest protection treatments and ensuring the work is carried out in a safe manner.

The Ministry holds the legislative authority for provincial permitting and licensing activities and uses FrontCounter BC to coordinate a single-window service model for applicants. The Ministry also combines land and resource stewardship functions resulting in a 'one land manager' approach to natural resource decision-making.

One Land Manager for British Columbia

As the ministry responsible for making decisions around land use in the province, the Ministry of Forests, Lands and Natural Resource Operations considers all environmental, economic and social factors of resource activity for a comprehensive view of the land base.

This 'one land manager' approach means that more informed decisions are made for the natural resource sector. Over the next few months, the Ministry will work to align resource authorizations with resource management, by focusing on designing efficient and effective processes while upholding environmental standards.

This new structure will streamline government processes in the natural resource sector to better attract global investment and turn proposed projects and investments into actual worksites and jobs while upholding our strict environmental standards. It will also enable British Columbia to work with the federal government towards establishing a 'one project, one process' model.

One Project, One Process

The 'one project, one process' approach for major investments creates a single framework that is timely, diligent and science-based. Now, instead of going to nine different agencies to apply for over 1,200 different types of provincial authorizations, there is one ministry to coordinate and streamline these operations.

The 'one project, one process' approach was pioneered at the Clean Energy Office and successfully created a single framework for project reviews. In the future, clients will work with one provincial contact, and similar projects will be subject to the same review process. This approach will create predictability in the sector and help to attract investment.

Provincial and Regionally Shared Service Delivery

The Ministry of Forests, Lands and Natural Resource Operations is part of an integrated system, with provincial oversight through the Natural Resource Sector Management Board and the Environment and Land Use Committee. By working as part of a coordinated system, the Ministry ensures operational decisions on the land base match policy development.

A key aspect of resource management coordination is supporting shared service delivery. Natural resource sector ministries share service and business planning with clear lines of accountability and shared responsibility. By working as part of an integrated system ministry staff can shift resources to support changing economic development priorities and pressures and support the environmental sustainability of resource use activities.

Strategic Context

British Columbia's Natural Capital

Natural capital consists of natural resources, environmental and ecosystem resources, and land. It is capital in the sense that these resources are assets that yield goods and services over time – goods and services that are essential to the sustained health of our environment and the economy.

British Columbia, with its widely varying topography and climate, is the most ecologically rich jurisdiction in Canada. B.C.'s natural capital includes species of plants and animals that may depend on each other, and upon which humans depend for food and to support commercial industries. Agriculture, ranching, fishing, forestry and outdoor recreation require continued, sustainable supplies of ecosystem goods.

British Columbia's native species and natural ecosystems provide a sense of cultural identity and artistic, recreational and spiritual inspiration. They are an important part of British Columbia's and Canada's natural heritage for current and future generations. For many reasons, the province's natural capital has immeasurable value.

Natural capital is critical in sustaining life; contributions include:

- Soils – protection of soils from erosion and production and renewal of fertile soils to support plant and animal life;
- Clean air – production, by green plants through photosynthesis, of the oxygen that we breathe;
- Clean water – the ability of organisms and soils to form systems in watersheds and wetlands to filter, cleanse and replenish water supplies, including our drinking water;
- Food – food chains based on conversion of solar energy by plants (photosynthetic organisms) to make carbohydrates and protein;
- Moderation of climate – locally, for example, through cooling in the shade of a forest, and on a larger scale through removal (sequestration) of carbon dioxide and other greenhouse gases from the atmosphere; and
- Native plants –which provide medicinal products that benefit humans.

British Columbia's Economy Grew in 2010

British Columbia is world-renowned for its beauty and natural resources. Much of B.C.'s economy is based on natural capital through environmentally sustainable use of it; such as fishing, forestry, clean energy generation, and tourism. British Columbia's natural resources generate significant revenue to the Crown, and natural resource development is a key driver of B.C.'s economy. For example, mining is on the upswing – a $7 billion industry in B.C. – and mineral exploration expenditures reached $322 million in 2010 – more than double the $154 million in 2009.

British Columbia's tourism revenue for 2010/11 was $13.2 billion, largely influenced by its 'Super Natural' brand and all the nature-based activities it offers. B.C.'s world-famous ski resorts contributed $2.1 billion to the economy, and freshwater fishing contributes about $480 million to B.C.'s economy. Canadian tourism industries accounted for 1.6 million jobs in 2010. This represented 9.2 per cent of the 17.4 million jobs in Canada. Jobs in tourism and in the total Canadian economy rebounded in 2010 by 1.0 percent and 1.8 per cent respectively, following declines in 2009. The United States is the largest overnight international market for B.C., making up over two-thirds of international visitor volume and nearly half of expenditures. In 2010, B.C. led the nation in attracting American visitors, with a percent change increase of 1.8 per cent from 2009 in international customs entries from the U.S., compared to a decline over all of Canada of 1.5 per cent. In 2010, there were 4.3 million overnight, international visitors to British Columbia which was almost 27 per cent of all overnight entries to Canada.

In 2010/11, B.C. continued to provide outstanding fish and wildlife opportunities, and total licence revenues were approximately $9.5 million for hunting and $10.9 million for angling. The revenues from the Habitat Conservation Trust Foundation were almost $2.5 million for hunting and over $3.5 million from angling – all of which supports projects that enhance fish and wildlife habitats.

British Columbia's real Gross Domestic Product (GDP), a measure of the size of the economy, increased by 4.0 per cent in 2010 following a decline of 1.8 per cent in 2009. In comparison, B.C. surpassed the Canadian average as nationally, real GDP rose 3.3 per cent in 2010, following a 2.6 per cent decline in 2009. In most provinces, construction, mining and oil and gas extraction as well as manufacturing spurred goods production to outpace growth in services. In British Columbia, strong export demand led to growth in forestry and logging and manufactured wood products. Support activities for mining and oil and gas extraction expanded 33 per cent and coal mining increased 27 per cent, as energy prices strengthened. Construction output rose 11 per cent, as work began at new mine sites and on oil and gas engineering projects. Utilities output declined as a result of lower export demand. The Olympic Winter Games had a positive impact on industries such as performing arts and spectator sports, accommodation and food services.

In 2010, British Columbia's shipments of manufactured goods from the forest sector such as lumber, pulp and paper and wood pellets totalled $9.1 billion, up 20.2 per cent from 2009. Asia Pacific markets presented a tremendous opportunity to offset the reduced forest product demand in the U.S. where the struggling American housing market continues to be a major source of weakness for the U.S. economy. While U.S. housing starts averaged 587,600 units in 2010, an increase of 6.1 per cent from 2009, this is well below the five year average of 1.04 million. Lower lumber prices due to the weak U.S. housing market have aided lumber sales to China who, in 2010, imported 2.8 billion board feet from B.C., nearly double the amount from 2009.

Climate Change Continues to Present Opportunities and Challenges

Responding to climate change remains one of government's key priorities. Climate is the chief determinant of the distribution of species and the nature and character of ecosystems, and is a key driver of biodiversity. British Columbia is the most biologically diverse province in Canada and has the highest number of native species. For example, British Columbia is home to 70 per cent of Canada's freshwater fish, 60 per cent of its evergreen trees, and 24 of Canada's mammal

species occur only in B.C. British Columbia's dynamic systems such as the intact large mammal predator-prey systems are globally significant.

Climate change is affecting B.C.'s natural resources as demonstrated by increasing frequency and severity of damaging events such as wildfires and insect infestations. As of April 2011, the mountain pine beetle had killed a cumulative total of 726 million cubic metres of timber since the current infestation began. The total number of fires in 2010 was 1,673, less than the 10 year average of 1,784 taken from 1999 to 2008. The number of hectares burned in 2010 was the highest it has been in at least 10 years (three times the average) at approximately 330,000 hectares.

B.C.'s vast forests can add or remove significant amounts of greenhouse gases from the atmosphere. The net balance changes over time in response to both natural events and forest management. British Columbia has almost 60 million hectares of forest of which less than 0.5 per cent is logged each year. Driven by the massive outbreak of the mountain pine beetle outbreak, B.C.'s forests have become a net source of greenhouse gases to the atmosphere. Over the next decades, these emissions are expected to decrease as the forest re-grows. Large amounts of carbon are stored in the wood products manufactured from B.C.'s forests.

Living Water Smart: B.C.'s Water Plan commits to change the way water is governed and managed in B.C. Through Living Water Smart, government committed that by 2012:

- Water laws will improve the protection of ecological values, provide for more community involvement, and provide incentives to be water efficient;
- Legislation will recognize water flow requirements for ecosystems and species;
- New approaches to water management will address the impacts from a changing water cycle, increased drought risk and other impacts on water caused by climate change; and,
- Government will regulate groundwater use in priority areas and large groundwater withdrawals.

In 2010, British Columbia became one of the first jurisdictions in the world to introduce a zero net deforestation goal in legislation. All public lands that are logged in B.C. must be reforested with native species. Two hundred million seedlings are planted annually – a key reason why B.C. has virtually no deforestation even after more than 100 years of forestry.

Clean water is essential to B.C.'s growing communities, economic growth, healthy food, clean energy and our beautiful environment. With changes in climate, population, and water use, government is reviewing the *Water Act* to address new pressures on water. In December 2010 the Province released a policy proposal on B.C.'s new *Water Sustainability Act*, and invited direct public participation in the development of the policy in January 2011. The new *Water Sustainability Act* would replace the existing century-old *Water Act* and ensure that the management of water is sustainable for current and future generations.

British Columbia has set a goal of meeting 50 per cent or more of the province's renewable fuel requirements by 2020 with B.C. produced biofuels. The B.C. Bioenergy Strategy is helping to realize the value of our abundant biomass resources, such as beetle-killed timber, wood wastes and agricultural residues for renewable energy and other value-added products.

British Columbia's wood pellet industry is playing a major role in developing renewable bioenergy sources locally and internationally with growing production and export markets. In 2010, B.C.'s pellet mills produced 1.2 million tonnes of pellets, and almost all of the production was shipped to Europe. Green energy policies in Europe and emerging energy policies in Asian countries e.g., South Korea, are expected to drive increased pellet demand.

Rural Communities Supported

Supporting prosperous rural communities remains a priority for government. For example, forestry, mining and energy related industries are important natural resource sector employers in many of British Columbia's rural communities.

Forestry directly supported 55,500 jobs in 2010, up 6.7 per cent from 2009, reflecting some improvement in B.C.'s economy. The total number of jobs is, however, 18 per cent below the five year average of 67,640 jobs. Opportunities for innovation, investment and employment in B.C.'s rural communities continue to increase through developments such as: marketing efforts to expand sales of softwood lumber and other forest products into Asia Pacific nations particularly China; and tenures that encourage utilization of beetle-attacked timber for bioenergy and value-added products.

The mining sector, comprised of metals, coal and industrial minerals provides directly employment for 9,000 people across 36 communities. The construction aggregates sector contributes a further 2,300 direct jobs across rural and Lower Mainland communities. Natural gas development in northeast B.C. supports direct employment for 13,000 people throughout five communities.

British Columbia is one of North America's most competitive energy-producing areas and the second largest producer of natural gas in Canada. Capital investment in the northeast region of the province doubled between 2006 and 2009 with the majority of investment going towards the development of shale gas in the Horn River and Montney basins. The increased activity has put significant pressure on community resources and the local labour market. Over 20,000 workers, from entry level to highly technical positions, are directly employed in the province's petroleum and natural gas sector, mainly by service sector companies in the northeast region. B.C. also has 26,000 kilometres of oil and gas pipelines and is the potential gateway to new markets for Canada's oil and gas.

Report on Performance

The Ministry's performance report contains elements of three major organizational changes over the fiscal year. The report contains the orignal service plans' goals, objectives and performance measures, and reflects components that joined the Ministry thoughout various parts of the report.

Changes to the Ministry Structure over Fiscal 2010/11

The Ministry of Forests, Lands and Natural Resource Operations came into existence in its present form in March 2011. Looking back over the course of fiscal 2010/11 there were several re-organizations of government that affected the alignment of accountabilities for the affected ministries.

At the outset on April 1, 2010, there were six agencies delivering operational services that are now delivered by this Ministry at the end of the fiscal year. The six included: Ministry of Forests and Range; the Integrated Land Management Bureau; the Ministry of Agriculture and Lands; the Ministry of Environment; The Ministry of Energy, Mines and Petroleum Resources; and the Ministry of Tourism, Culture and the Arts.

In October 2010, most natural resource ministries' operational functions were consolidated into the new Ministry of Natural Resource Operations, and the forests, mines and lands policy functions were combined into a separate ministry.

In March 2011, forests and lands policy functions from the Ministry of Forests, Mines and Lands joined with the Ministry of Natural Resource Operations – while responsibility for mines policy and operations was attributed to the Ministry of Energy and Mines – resulting in the new Ministry of Forests, Lands and Natural Resource Operations.

Changes to Performance Measures

Not all natural resource sector service plans' performance measures transferred to this Ministry in government's re-structuring. Measures that track progress in 2010/11 for the Ministries of Energy and Mines; Agriculture; Aboriginal Relations and Reconciliation; Jobs, Tourism, and Innovation; and Environment are in those respective annual reports. The full range of performance measures for the new Ministry of Forests, Lands and Natural Resource Operations is presented in the *2011/12-2013/14 Service Plan*, and will be reported in the 2011/12 annual report.

This report includes eight of the ten performance measures that appeared in the Ministry of Forests and Range *2010/11-2012/13 Service Plan*, four of which were for the Integrated Land Management Bureau (ILMB), and two measures from the former Ministry of Agriculture and Lands. The Ministry of Aboriginal Relations and Reconciliation now reports on two performance measures formerly with the Ministry of Forests and Range and ILMB. The net result is ten performance measures for the Ministry of Forests, Lands and Natural Resource Operations.

Performance Summary Table

Part A – Forests and Range

Goal 1: Maximum productivity of forests and range resources For greater detail see pages 21 to 22	**2010/11 Target**	**2010/11 Actual**
1.1 Best return from investments and activities on the forest and range land base Timber Volume Gain from Silviculture Investments	7.1 M m^3	7.7 M m^3 EXCEEDED
1.2 Private investment in the land base	N/A	N/A
Goal 2: Well managed forest and range resources For greater detail see pages 22 to 23	**2010/11 Target**	**2010/11 Actual**
2.1 Ensuring public and consumer trust in forest management Allowable Annual Cut Certification	68%	68.3% ACHIEVED
Goal 3: Coordinated and integrated planning of the use of the forest and range resources For greater detail see page 23	**2010/11 Target**	**2010/11 Actual**
3.1 Prosperous forest and range rural economies **3.2 Collaborative forests and range planning and service delivery**	Performance Measures associated with this goal are reported by the Ministry of Aboriginal Relations and Reconciliation.	
Goal 4: Vigorous, efficient and world competitive forest and range sector For greater detail see pages 24 to 25	**2010/11 Target**	**2010/11 Actual**
4.1 A globally and competitive market-based operating climate Stakeholder Satisfaction with Ministry Supporting a Competitive Operating Environment	SET BASELINE	63.4% ACHIEVED
Goal 5: Revenue opportunities from forest and range resources For greater detail see pages 25 to 27	**2010/11 Target**	**2010/11 Actual**
5.1 Revenue generation opportunities from forest and range resources Crown Forests, Lands and Natural Resource Operations Gross Revenue	$ 471.5 M	$ 433 M NOT ACHIEVED
5.2 Fair market value from the use of the forest and range resources	N/A	N/A

Part B – Integrated Land Management Bureau

Goal 1: Citizen-centered delivery of services for natural resource application and adjudications For greater detail see pages 28 to 30	**2010/11 Target**	**2010/11 Actual**
1.1 The provision of outstanding FrontCounter BC services in accordance with service agreements with partner agencies Percentage of natural resource applications prepared for adjudication that are processed under agreed turnaround times with other agencies.	85%	70% NOT ACHIEVED
1.2 Service excellence for clients seeking access to use Crown land through *Land Act* adjudications Percentage of *Land Act* adjudications that are completed under agreed turnaround times	90%	92% EXCEEDED
1.3 Solid partnerships built with local governments other agencies and First Nations	N/A	N/A

Goal 2: An enhanced relationship with First Nations which will lead to improved business practices For greater detail see page 30	2010/11 Target	2010/11 Actual
2.1 Engaging First Nations on improved process to enhance understanding and consideration of their interests by provincial land and resource agencies	Performance Measures associated with this goal are reported by the Ministry of Aboriginal Relations and Reconciliation.	
Goal 3: Land and marine planning services that enhance Crown land and resource use certainty and support sustainable natural resource management For greater detail see page 31	**2010/11 Target**	**2010/11 Actual**
3.1 The maintenance of a flexible and integrated approach to planning services that continues to meet clients' needs and regional priorities and achieved business certainty Percentage of Approved Planning Priorities Completed	90%	85% SUBSTANTIALLY ACHIEVED
Goal 4: Integrated land and resource information For greater detail see page 32	**2010/11 Target**	**2010/11 Actual**
4.1 Excellence in the provision of provincial land and resource information services through GeoBC Average Number of Monthly User Sessions Enabling Government and Citizen Access to Corporate Land and Resource Geographic Information	60,000 sessions	91,460 sessions EXCEEDED

Part C – Lands

Goal 1: Agriculture, food sectors and land-use contribute positively to the economic well-being of the Province For greater detail see pages 33 to 34	2010/11 Target	2010/11 Actual
1.2 Remove barriers to increased Brownfield redevelopment and achieve economic, social and environmental benefits Number of non-Crown-owned Brownfield sites funded each year for environmental investigations under the Brownfield Renewal Funding Program	35 sites	29 sites NOT ACHIEVED
1.3 Crown land decisions and dispositions to support community needs and provincial priorities	N/A	N/A
Goal 2: World-leading environmental stewardship in Crown land administration, agriculture, aquaculture and food sector practices For greater detail see pages 34 to 35	**2010/11 Target**	**2010/11 Actual**
2.2 Contamination caused by the historic use of land is managed to minimize risks to human health and the environment Number of program sites for which remediation is underway or complete	77 sites	77 sites ACHIEVED

Part A – Forests and Range

Goals, Objectives, Strategies and Performance Results

Goal 1: Maximum productivity of forest and range resources.

The Ministry's focus under this goal is to:

- Grow more trees—and more resilient trees; and
- Supporting the productivity of forest and grassland ecosystems that sustain the economic, social, and cultural interests of British Columbians.

Objective 1.1: Best return from investments and activities on the forest and range land base.

Strategies

- Maximize timber volume that is grown in the provincial forest.
- Grow more timber to offset impacts in the mid-term timber supply caused by the mountain pine beetle and other catastrophic events.
- Create the conditions that support investment in forest lands.

Performance Results

Performance Measure[2]	2010/11 Target	2010/11 Actual[3]
Timber volume gain[1] expected in 65 years from silviculture treatments completed in BC in each fiscal year	7.1 M m^3	7.7 M m^3 EXCEEDED

Data Source: Volume gains (millions of cubic metres of wood) estimated using data submitted by licensees and the Ministry, to RESULTS (Reporting Silviculture Updates and Land status Tracking System) and SPAR (Seed Planning and Registry System).

[1] Gain as compared to basic reforestation.

[2] "Timber Volume Gain" includes incremental growth associated with planting trees that grow faster, rehabilitation, juvenile spacing, and fertilization and is based on the estimated total accumulated volume gains in 65 years. Some gains due to treatments such as fertilization can be realized in as little as 10 years.

[3] Data are submitted, according to legislated requirements, before June 1 each year for the previous year ending March 31. The detailed information used to calculate the volume gain is found in the MFRs Annual Report detail statistical information, posted at: www.for.gov.bc.ca/hfp/silviculture/statistics/statistics.htm

Discussion of Results

The 2010, the Ministry of Forests and Range introduced a new performance measure for silviculture that focuses on the additional gain in timber volume that will be realized in 65 years through silviculture investments made today. This new measure replaced the old "reforestation ratio" measure because it more accurately reflects the benefits of silviculture investments - beyond just ensuring sites are fully stocked.

Timber volume gain is a high-level indicator of investments in the land base, forest resource stewardship, and sustainable timber productivity. Certain silviculture investments such as planting trees that grow faster, brushing, and forest fertilization have been shown to increase timber volume. In 2009/10 these investments increased future harvest volumes by 6.3 million m^3 over what would have grown without these investments. In 2010/11, more focused investments through the Land Based Investment Strategy enabled the Ministry to achieve a gain of 7.7 million m^3 of future timber volume which is about 8 per cent more than the 2010/11 target of 7.1 million m^3.

The overachievement was due to higher than anticipated sowing of seed that produces faster growing trees. This will enable planting of about 14,000 hectares more than the original estimate, and will produce an additional 0.6 million m^3 of future timber supply.

Objective 1.2: Private investment in the land base.

Strategies

- Encourage investments to improve forest and range resources.

Goal 2: Well managed forest and range resources.

Objective 2.1: Ensuring public and consumer trust in forest management.

Strategies

- Monitor and manage impacts on forest and range resources from pests, disease and wildfire.
- Ensure the appropriate standards are in place to increase ecosystem resilience and adapt forest and range practices for a changing climate.
- Ensure effective forest and range practices and adherence.
- Work collaboratively with certifiers to ensure standards are applicable to the British Columbia forest sector.

Performance Results

Performance Measure[1]	2010/11 Target	2010/11 Actual
Per cent of the provincial allowable annual cut certified for sustainable forest management standards	68%	68.3% ACHIEVED

Data Source: Certification Canada www.certificationcanada.org/

[1] Sustainable forest management standards include Canadian Standards Association (CSA), Forest Stewardship Council (FSC), and Sustainable Forestry Initiative (SFI).

Discussion of Results

In 2010, the Ministry introduced a new performance measure that provides forest product buyers and the public with assurance that our forests are well managed and meet the requirements of a certification standard. This measure highlights the per cent of the provincial Allowable Annual Cut (AAC) certified for sustainable forest management standards.

The three certification standards used in B.C. include: the Canadian Standards Association's Sustainable Forest Management Standard (CSA); the Forest Stewardship Council (FSC); and, the Sustainable Forestry Initiative (SFI).

Certification is voluntary; however, industry recognises that it is a key element in maintaining and increasing our market share worldwide. This combined with our forest policies and initiatives such as Ecosystem Based Management will increase the amount of the AAC certified. Certification has already increased substantially in B.C. and we now lead the country in achieving sustainable forest management certification. By the end of 2010/11, we had met our performance measure target that about 68.3 per cent of government-set AAC was certified.[1] The Ministry has set a new target of 70 per cent for fiscal 2011/12.

Goal 3: Coordinated and integrated planning of the use of the forest and range resources.

The Ministry of Aboriginal Relations and Reconciliation is responsible for reporting on the performance measure associated with this goal, "Number of communities and First Nations involved in forest and range planning through forest tenures and agreements". See the Ministry of Aboriginal Relations and Reconciliation annual report for the performance results.

Objective 3.1 Prosperous forest and range rural economies.

Strategies

- Expand community and First Nations' participation in forest management in the forest and range sector.

[1] For additional information, please see BC Timber Sales Annual Report: www.for.gov.bc.ca/BCTS/

Objective 3.2 Collaborative forests and range planning and service delivery.

Strategies

- Coordination and/or delivery of natural resource activities on behalf of both the ministry and other natural resource agencies.
- Collaborate with other government natural resource agencies to explore and advance new opportunities for coordinated service delivery with other agencies and to meet government objectives.
- Enhance the effectiveness of First Nations consultations and support First Nations' interests in forest and range resources.

Goal 4: Vigorous, efficient and world competitive forest and range sector.

Objective 4.1 A globally competitive market-based operating climate.

Strategies

- Promote products.
- Emphasis on wood use - wood first.
- Seek new markets and increase market share in existing markets.
- Promote a competitive operating environment for industry and increase productivity.

Performance Results

Performance Measure	2010/11 Target	2010/11 Actual
Stakeholder satisfaction with Ministry supporting a competitive operating environment	Set Baseline	63.4% ACHIEVED

Data Source: BCStats Client Satisfaction Survey

Discussion of Results

This measure assesses the Ministry's ability to support competitive business conditions through its policy framework, support for innovative developments, representation of industry clients' business interests within government, and other aspects of client engagement/service delivery. This was a new measure in the Ministry of Forests and Range *2010/11-2012/13 Service Plan*. An

electronic survey of forests and range clients was taken in October 2010 to assess client satisfaction and set a baseline.

The result is 63.4 per cent, an aggregate score reflecting the average percent of positive and neutral responses to the two overall satisfaction questions about: the quality of service provided by the Ministry; and the Ministry's efforts to support a competitive operating environment for forests and range businesses.

The survey gathered other perceptions of forests and range clients about the Ministry's ability to support a competitive operating environment. Overall, there was consistent positive feedback on the client services provided by the Ministry. The results identified a need to increase Ministry staff knowledge of clients' business needs and staff ability to successfully manage and initiate new policies and programs to improve competitiveness. The results also highlighted the vast range of perspectives and opinions held by the Ministry's diverse client groups and the complexity of creating high levels of satisfaction in all areas from forests and range clients.

The timing of the survey created some challenges due to the restructuring of the province's natural resource ministries in October 2010 and March 2011. Given the changes to the mandate and client groups with the creation of the Ministry of Forests, Lands and Natural Resource Operations, this performance measure is not included in the *2011/12 – 2013/14 Service Plan*.

Goal 5: Revenue opportunities from forest and range resources.

Objective 5.1 Revenue generation opportunities from forest and range resources.

Strategies

- Support the development of new forest products and revenue generation opportunities.
- Identification of new business opportunities.

Objective 5.2 Fair market value from the use of the forest and range resources.

Strategies

- Ensure that competitive timber sales continue to provide a source of fibre and a basis on which to establish non competitive timber prices.
- Seek opportunities to simplify market-based pricing systems.
- Ensure complete, timely and accurate pricing and billing.

Performance Results

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual[1]
Crown forest, lands and natural resource operations gross revenue.	$ 583 M	$ 411 M	$ 471.5 M	$ 433 M NOT ACHIEVED

Data Source: Ministry of Forests. Lands and Natural Resource Operations Harvest Billing System

[1] Actual 2010/11 revenue (Unaudited) is subject to verification by audit by the Office of the Auditor General. This revenue will continue to fluctuate minimally until Closing Adjustment #3 is completed by the Office of the Auditor General on or before June 15, 2011. The target release date of Public Accounts is expected to be on July 7, 2011. (Revenue: $, million).

Discussion of Results

The total gross revenue collected from forests, lands and natural resource operations by the Government of British Columbia during each fiscal year includes stumpage from timber tenures and BC Timber Sales, revenues from other forestry and non-forestry activities. Additionally, significant revenues are received as a result of Softwood Lumber Border Tax payments. This is attributable to the Softwood Lumber Agreement which came into effect October 12, 2006.

During 2010/11, the Crown forest target revenues were downgraded primarily due to the continued and direct impact of the global/North American economic downturn which encompassed an unprecedented decline and collapse in the U.S. housing market. The housing demand has not recovered and subsequently, significantly lowers prices for lumber and other forest products remains flat. Although stumpage revenue is lower than from previous years, a noticeable but modest improvement started to emerge during 2010/11.

Overall Crown harvest volume activity improved by over 20 per cent from the previous year, however the corresponding stumpage revenues only increased by nine per cent in 2010/11 compared to the previous year. The significant harvest of the deteriorating low value mountain pine beetle timber harvest volumes in the B.C. interior continues to significantly impact stumpage revenues.

Decreases to the revenue associated with the Softwood Lumber Border Tax have also impacted the under achievement of the 2010/11 revenue target. Total softwood lumber exports to the U.S. during 2010/11 were lower than in 2009/10.

The 2010/11 Ministry revenue is lower than the original target for the year. It continues to be well below the Ministry's historical revenue performance benchmark range of $600 million to $1.2 billion (based on the past five years). The global/North American economic downturn, along with suppressed U.S. housing starts and credit rationing, will continue to materially affect the Crown timber harvest in B.C. and the associated revenue. Although harvesting activity has increased during 2010/11 due in part to the increased demand from China and other Asian countries, this has not yet transferred to overall increases in stumpage rates and associated stumpage revenues. Although commodity and lumber markets are starting to experience a recovery, this is more so from inventory replenishment than from end-use demand at this time.

This downturn is expected to continue to be more prolonged than previously anticipated, with only modest recovery likely to occur in late 2011/12.

Ministry Response

During 2010/11, the Ministry completed the official Budget Estimate forecast in February 2010, followed by several revised forecasts. These forecasts ensured that all aspects of the changing key revenue drivers (i.e., lumber and forest products markets; Canadian and U.S. currency fluctuations; and other factors impacting stumpage revenues, such as the mountain pine beetle infestation) were continually monitored and incorporated into the revenue revisions. These revised revenue forecasts reflect the timely and significant market volatilities that occur as well as meeting the Government of British Columbia's quarterly fiscal reporting requirements experienced during 2010/11.

Part B – Integrated Land Management Bureau

Goals, Objectives, Strategies and Performance Results

Goal 1: Citizen-centred delivery of services for natural resource applications and adjudications.

Objective 1.1: The provision of outstanding FrontCounter BC services in accordance with service agreements with partner agencies.

Strategies

- Provide efficient pre-application and application completion services to customers and ministry clients.
- Improve service to clients and partner agencies by meeting or exceeding performance targets.
- Provide support for sustainable organization and continued growth of FrontCounter BC's service offerings.
- Implement e-licensing, e-referrals and permitting services for natural resource authorizations.

Performance Results

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Percentage of natural resource applications prepared for adjudication that are processed under agreed turnaround times with other agencies.	69%	77%	85%	70% NOT ACHIEVED

Data Source: FrontCounter BC Authorization Tracking System.

Discussion of Results

This measure provides an indication of FrontCounter BC's success in assisting businesses and individuals to prepare applications for natural resource authorizations so that less time is required by partner agency adjudication staff who then review and decide on the applications.

This performance measure was based on a workflow that underwent significant changes during 2010/11. These changes included the implementation of the coordinated First Nations

consultative process and a shift to more project-based referrals; these changes have introduced additional work at the front of the process that had not been accounted for in the target turnaround times previously. Consequently the target turnaround times are under-estimating the new time frames required for processing.

The target turnaround times were also impacted by the three year cycle for water billing of clients under $60 in the Southern Interior, which resulted in a significant increase in amendments and a temporary backlog during a portion of the fiscal year.

Ministry Response

One of the weaknesses of the current target turnaround process is that it measures individual authorizations instead of bundled authorizations. By bundling authorizations together for the First Nations consultative process, the Ministry is able to achieve a more efficient adjudication process. The Ministry will be recalibrating its target turnaround times to account for the changes in workflow and bundling based on what has been learned in 2010/11.

The Ministry will be implementing 'One Process' during fiscal 2011/12. This initiative is designed to further streamline and generate internal efficiencies of workflows, allowing the Ministry to increase its capacity to handle projected workload within the performance target.

Objective 1.2: Service excellence for clients seeking access to use Crown land through *Land Act* adjudications.

Strategies

- Embark on several business improvement initiatives to provide more efficient mandated *Land Act* adjudications and decisions for clients.
- Support small businesses by guiding them through the process used for accessing Crown land and resources.
- Advance First Nations' values in the administration of Crown land tenures.
- Facilitate the application process for the development of independent power projects to support the B.C. Energy Plan and climate change initiatives.

Performance Results

Performance Measure	2009/10 Actual	2010/11 Target	2010/11 Actual
Percentage of *Land Act* adjudications that are completed under agreed turnaround times.	88%	90%	92% EXCEEDED

Data Source: Ministry of Forests, Lands and Natural Resource Operations, Reason for Decision Measurement.

Discussion of Results

This performance measure reflects the Ministry's success in completing *Land Act* adjudication decisions in a timely manner. These decisions on Crown land use will in turn benefit the provincial economy while considering environmental and social impacts. The targets are consistent with standard service level commitments used by this Ministry and its predecessors in recent years.

Objective 1.3: Solid partnerships built with local governments other agencies and First Nations.

Strategies

- Build efficient and timely land and resource development consultation and accommodations mechanisms with First Nations.
- Provide effective and efficient administration of Crown land sale partnerships with First Nations and communities.
- Lead regionally-based Inter-Agency Directors' Committees and Sub-Regional Management Committees to optimally co-ordinate government interests in the management of provincial natural resources.

Goal 2: An enhanced relationship with First Nations which will lead to improved business practices.

The Ministry of Aboriginal Relations and Reconciliation is responsible for reporting on the performance measure associated with this goal, "Number of negotiated strategic agreements reached with or presented to First Nations annually for consideration". See the Ministry of Aboriginal Relations and Reconciliation annual report for the performance results.

Objective 2.1: Engaging First Nations on improved processes to enhance understanding and consideration of their interests by provincial land and resource agencies.

Strategies

- Develop a 'virtual single agency' approach to engage First Nations.
- Pursue agreements with First Nations that improve relations between the Province and First Nations, improve and streamline consultation practices and create an improved business climate.

Goal 3: Land and marine planning services that enhance Crown land and resource use certainty and support sustainable natural resource management.

Objective 3.1: The maintenance of a flexible and integrated approach to planning services that continues to meet clients' needs and regional priorities and achieves business certainty.

Strategies

- Facilitate effective implementation of approved strategic land-and resource plans and land use agreements with First Nations.
- Complete priority planning projects and land use agreements with First Nations.
- Meet priority needs for detailed planning (e.g. Crown land, forest stewardship, wildlife and marine resources) to translate strategic direction into resource allocation and management decisions.

Performance Results

Performance Measure	2009/10 Actual	2010/11 Target	2010/11 Actual
Percentage of approved planning priorities completed.	77%	90%	85% SUBSTANTIALLY ACHIEVED

Data Source: Ministry of Forests, Lands and Natural Resource Operations.

Discussion of Results

This measure is designed to indicate progress the ministry is making in completing the agency's priority planning projects on a year-to-year basis. These projects are strategic in nature and increasingly involve government-to-government collaboration with First Nations. Key achievements reflected in this performance measure include the establishment of legal objectives to support the implementation of land use plans and agreements with First Nations in the Cariboo Chilcotin, Sea-to-Sky and Haida Gwaii, as well as completion of projects related to the implementation of Ecosystem Based Management on the Central and North Coast of B.C.

Some of the constraints that affected the delivery of all projects within projected timelines included longer than expected timelines for consultation and challenges associated with meeting expectations of some project participants. Many other projects were also undertaken or supported that are not reflected above, such as the establishment and maintenance of old growth management areas in several regions of the Province, initiatives to address First Nations and wildlife concerns identified in recent court decisions, support for provincial priorities related to clean energy development, and initiatives to address First Nations interests.

Goal 4: Integrated land and resource information.

Objective 4.1: Excellence in the provision of provincial land and resource information services through GeoBC.

Strategies

- Enhance the role of geographic information in serving government, business and the citizens of British Columbia.
- Expand the use of geographic information beyond natural resource ministries to include all ministries.
- Develop corporate information and data management tools for Government.
- Add value for Bureau clients through facilitating and delivering effective products and services through regional and headquarters GeoBC staff.

Performance Results

Performance Measure	2009/10 Actual	2010/11 Target	2010/11 Actual
Average number of monthly user sessions[1] enabling government and citizen access to corporate land and resource geographic information.	64,000 sessions	60,000 sessions	91,460 sessions EXCEEDED

Data Source: GeoBC

[1] A session is defined as when a user has accessed the following corporate tools providing cross ministry information contained within the GeoBC Gateway: iMapBC, Integrated Land and Resource Registry, Distribution Service and Base Map Online Store.

Discussion of Results

The Ministry exceeded the performance target for this measure, and the change over last year's average number of monthly user session represents a 42 per cent increase. Organizational changes over the last year included a transfer of a number of access services including the BC Geographic Warehouse to the Ministry of Labour, Citizens' Services and Open Government which will require a change to the measure in future.

Geography is the unique identifier that connects information across business areas. The Geographic Warehouse is the corporate repository for authoritative and integrated land, resource and geographic data that supports a variety of business requirements for ministries, government agencies and the public. Over the last few years, there has been tremendous growth in the use of the GeoBC Gateway, applications and the provincial Geographic Warehouse by the general public and government agencies. This trend is related to the advancement in technology, higher levels of citizens' expectations and knowledge, and improved access to information in the Geographic Warehouse.

Part C – Lands

Goals, Objectives, Strategies and Performance Results

Goal 1: Agriculture, food sectors and land-use contribute positively to the economic well-being of the Province.

Objective 1.2: Remove barriers to increase Brownfield redevelopment and achieve economic, social and environmental benefits.

Strategies

- Lead by example by working with partners to redevelop key Crown Brownfield sites.
- Increase capacity and awareness of Brownfield redevelopment tools and opportunities.
- Provide funding for environmental investigations of non-Crown Brownfield sites through the Brownfield Renewal Funding Program.

Performance Results

Performance Measure	2010/11 Target	2010/11 Actual
Number of non-Crown-owned[1] Brownfield sites funded each year for environmental investigations under the Brownfield Renewal Funding Program	35 sites[2]	29 sites NOT ACHIEVED

Data Source: Ministry of Forests, Lands and Natural Resource Operations

[1] Sites could be owned by First Nations, Local Governments or private sector.

[2] Numbers are cumulative.

Discussion of Results

The Brownfield Renewal Funding Program is designed to stimulate land development and economic activity by encouraging remediation of Brownfield sites. Over five years, $10 million in funding is planned to help environmental investigations on lands owned by First Nations, local governments or the private sector. Funding will help increase certainty about site conditions, leverage additional investment by the site developers, and provide more opportunities for sites to be redeveloped, resulting in economic, social and environmental benefits to communities. Projects that proceed to remediation and redevelopment will contribute to: a cleaner environment

through the removal of contamination; a stronger economy through the redevelopment of underutilized, derelict or abandoned properties; increased certainty of site information for improved decision making; and social benefits such as affordable housing and creation of green space.

Ministry Response

The target to achieve a particular number of funded sites was not achieved. However, the intent of the target was met as all funding approved for the program was allocated to the applicants who met the application requirements. The Brownfield Renewal Funding Program is a new program (initiated in 2009) and there are no other similar programs for comparison. However, Ministry achievements were formally recognized outside government by the Canadian Urban Institute's Annual Brownie Awards in 2010 for Best Communications, Marketing and Public Engagement, due to our Local Government Brownfield Workshops delivered in partnerships with the Federation of Canadian Municipalities and the Canadian Petroleum Products Institute. The awards program recognizes leadership, innovation and environmental sustainability in Brownfield redevelopment across Canada. The Ministry is working towards a more tangible description of program outcomes, focussed on the total economic impact of this government investment.

Objective 1.3: Crown land decisions and dispositions to support community needs and provincial priorities.

Strategies

- Work with local governments, First Nations and other key stakeholders to identify sustainable development opportunities.
- Transfer Crown land through innovative agreements that promote investment and development.
- Improve Crown land allocation policy and business processes to better serve clients.
- Develop legislation, policy and analysis of Crown land resource to enhance its contribution to the economic, environmental and social well-being of British Columbians.

Goal 2: World-leading environmental stewardship in Crown land administration, agriculture, aquaculture and food sector practices.

Objective 2.2: Contamination caused by the historic use of land is managed to minimize risks to human health and the environment.

Strategies

- Identify, investigate and remediate sites that are the responsibility of the Province to protect human health and the environment.
- Work with other ministries to deliver reliable, relevant, accurate and transparent reports on contaminated sites management.
- Provide leadership in the development of a centre of expertise and best practices for the risk ranking and prioritization of contaminated sites.

Performance Results

Performance Measure	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual
Number of program sites for which remediation is underway or complete[1]	67 sites[2]	72 sites[2]	77 sites[2]	77 sites[2] ACHIEVED

Data Source: Ministry of Forests, Lands and Natural Resource Operations.

[1] These program sites fall into one of five categories: **Remediated:** Crown sites where clean-up activities are completed. **Priority:** Crown sites that have been identified for current action based on site investigation and confirmed risk to human health and the environment. **Candidate:** Crown sites on which initial investigation has begun to determine the extent of risk. **Monitor:** Crown sites where preliminary investigation has been completed and monitoring is required, and possibly additional testing in different field conditions to determine the extent of risk. **Other:** Sites that are being managed by the Province to fulfill obligations established under legal agreements, regulatory orders or other commitments.

[2] Numbers are cumulative. Targets reflect program focus for priority clean-up on sites.

Discussion of Results

Contaminated sites located on Crown lands that are the responsibility of the province are assessed and ranked based on potential risk to human health and the environment. Remediation is either underway or completed at 77 sites which is a cumulative total since inception of the program in 2004. This total achieves the target of five new sites established for 2010/11. This performance measure indicates consistent progress in fulfilling the program mandate of the protection of human health and the environment in British Columbia.

Report on Resources

Ministry Resource Summary Table

	Estimated	Other Authorizations[1]	Total Estimated	Actual	Variance
Operating Expenses ($000)					
Competitiveness and Innovation	-	6,622	6,622	5,814	(808)
Forest Resource Stewardship	-	131,764	131,764	131,556	(208)
Forest Tenures and Timber Pricing	-	7,515	7,515	7,552	37
Provincial Operations	-	95,608	95,608	95,320	(288)
Regional Operations	-	132,380	130,380	130,280	(2,100)
Executive and Support Services	-	71,960	71,960	72,614	654
Total	**-**	**445,849**	**445,849**	**443,136**	**(2,713)**
Direct Fire	-	212,180	212,180	212,180	-
BC Timber Sales Account	-	158,469	158,469	149,104	(9,365)
Crown Land	-	6,000	6,000	6,000	-
Forest Stand Management Fund	-	-	-	-	-
Subtotal – Operating Expenses	**-**	**822,498**	**822,498**	**810,420**	**(12,078)**
Adjustments of Prior Years' Accruals	-	-	-	(1,214)	(1,214)
Total	**-**	**822,498**	**822,498**	**809,206**	**(13,292)**
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)					
Executive and Support Services	-	43,355	43,355	36,324	(7,031)
BC Timber Sales Account	-	25,885	25,885	17,112	(8,773)
Total	**-**	**69,240**	**69,240**	**53,436**	**(15,804)**

[1] "Other Authorizations" includes the transfers into the newly established Ministry of Natural Resource Operations from across the resource sector Ministries in accordance with OIC 652 in October 2010 and continued into the Ministry of Forests, Lands and Natural Resource Operations in accordance with OIC 062 in March 2011. This also includes elements of former Ministry of Forests, Lands and Mines disestablished and transferred to the Ministry of Forests, Lands and Natural Resource Operations in March 2011 in accordance with OIC 062.

	Estimated	Other Authorizations[1]	Total Estimated	Actual	Variance
Other Financing Transactions ($000)					
BC Timber Sales Account					
Receipts	-	-	-	-	-
Disbursements	-	56,972	56,972	45,723	(11,249)
Net Cash Source (Requirements)	-	56,972	56,972	45,723	(11,249)
Land Administration					
Receipts	-	-	-	-	-
Disbursements	-	8,250	8,250	725	(7,525)
Net Cash Source (Requirements)	-	8,250	8,250	725	(7,525)
Crown Land Special Account					
Receipts	-	-	-	-	-
Disbursements	-	-	-	-	-
Net Cash Source (Requirements)	-	-	-	-	-
Tourism Development					
Receipts	-	-	-	-	-
Disbursements	-	642	642	642	-
Net Cash Source (Requirements)	-	642	642	642	-
Habitat Conservation Trust					
Receipts	-	6,149	6,149	6,149	-
Disbursements	-	6,149	6,149	6,149	-
Net Cash Source (Requirements)	-	-	-	-	-
Total Receipts	**-**	**6,149**	**6,149**	**6,149**	**-**
Total Disbursements	**-**	**72,013**	**72,013**	**53,239**	**(18,774)**
Total Net Cash Source (Requirements)	**-**	**65,864**	**65,864**	**47,090**	**(18,774)**

[1] "Other Authorizations" includes the transfers into the newly established Ministry of Natural Resource Operations from across the resource sector Ministries in accordance with OIC 652 in October 2010 and continued into the Ministry of Forests, Lands and Natural Resource Operations in accordance with OIC 062 in March 2011. This also includes elements of former Ministry of Forests, Lands and Mines disestablished and transferred to the Ministry of Forests, Lands and Natural Resource Operations in March 2011 in accordance with OIC 062.

Forest Practices Board

The Forest Practices Board is an independent watchdog for sound forest and range practices in British Columbia's public forests and rangelands. It informs both the British Columbia public and the international marketplace of forest and range licensees' performance in carrying out sound practices and complying with legal requirements. It also ensures that resource ministries are appropriately monitoring and enforcing forest and range practices legislation.

The Board audits tenure holders and government ministries for compliance with forest and range practices legislation, carries out special investigations and issues reports as appropriate, investigates concerns and complaints from the public, and participates in appeals to the Forest Appeals Commission. The Board's mandate is provided by the *Forest and Range Practices Act* and the *Wildfire Act*.

While the Board operates independently from the Ministry of Forests, Lands and Natural Resource Operations, its budget vote is the responsibility of the Minister. The Board independently reports its accomplishments and priorities through an annual report found at: www.fpb.gov.bc.ca.

Forest Practices Board Resource Summary Table

Forest Practices Board	Estimated	Other Authorizations	Total Estimated	Actual	Variance
Operating Expenses ($000)					
Total	3,839	0	3,839	3,837	(2)
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)					
Total	0	0	0	0	0

Ministry Contact Information

Headquarters
P.O. Box 9361 STN PROV GOVT,
Victoria B.C., V8W 9M2
Phone: 250 387-1772
Fax: 250 387-3291
www.gov.bc.ca/for/contacts.html

BC Timber Sales – Headquarters

Website: www.for.gov.bc.ca/bcts/

Contacts: www.for.gov.bc.ca/bcts/contact/

Media
Public Affairs Bureau
Phone: 250 356-5261

Regional Operations Offices:

Surrey
Suite 200 - 10428 153rd Street, V3R 1E1
Phone 604-586-4400

Nanaimo
2100 Labieux Road, V9T 6E9
Phone 250 751-7163

Smithers
3726 Alfred Avenue, V0J 2N0
Phone 250 847-7260

Prince George
5th Floor, 1011 4th Avenue, V2L 3H9
Phone 250-565-6102

Williams Lake
200-640 Borland Street, V2G 4T1
Phone: 250-398-4327

Kamloops
441 Columbia St, V2C 2T3
Phone 250 828-4449

Cranbrook
1902 Theatre Road, V1C 7G1
Phone 250 426-1766

Fort St. John
370-10003 110 Ave., V1J 6M7
Phone: 250-784-1200

FrontCounter BC:
Call toll free: 1 877 855-3222
Call from outside North America at:
++1-604-586-4400
E-mail: FrontCounterBC@gov.bc.ca
To contact specific offices, please visit:
www.frontcounterbc.gov.bc.ca/contact/index.html

Hyperlinks to Additional Information

Ministry website:

www.gov.bc.ca/for/

Wildfire Information:

www.bcwildfire.ca

www.facebook.com/BCForestFireInfo

Climate Adaptation Strategy:

www.env.gov.bc.ca/cas/adaptation/index.html

Crowns, Agencies, Boards and Commissions associated with the Ministry:

Crowns
Creston Valley Wildlife Management Authority: www.crestonwildlife.ca

Major Agencies, Boards and Commissions
Forest Practices Board: www.fpb.gov.bc.ca
Timber Export Advisory Committee
Muskwa-Kechika Advisory Board
Mediation and Arbitration Board
Assayers Certification Board of Examiners